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U.S. CORN AND SOYBEAN SUPPLY AND USE

Projected United States feed grain production for 2010/11 is unchanged, but smaller carryin for corn, sorghum, and barley is expected to reduce domestic feed grain supplies. Corn food, seed, and industrial (FSI) use is projected 110 million bushels higher for 2010/11, mostly in line with higher projected corn use for ethanol, sweeteners, and starch for 2009/10. Higher use, combined with lower beginning stocks, drops projected 2010/11 corn ending stocks 245 million bushels to 1,573 million. The season-average farm price for corn is projected 10 cents higher on both ends of the range to $3.30 to $3.90 per bushel. Projected 2010/11 farm prices for the other feed grains are also raised.

Nationally, corn use for 2009/10 is projected 135 million bushels higher as increased FSI use more than offsets a reduction in expected feed and residual use. Corn use for ethanol is raised 150 million bushels reflecting the continued record pace of ethanol production and usage through March based on the latest data from the Energy Information Administration (EIA). Higher ethanol production is also supported by record production of gasoline blends with ethanol as indicated by weekly data from EIA through May and forecasts for rising gasoline demand during the summer driving season. Corn use is raised 5 million bushels each for starch and glucose/dextrose as the gradual economic recovery spurs production of these products. Feed and residual use is lowered 25 million bushels with increased availability of distillers' grains.

U.S. corn ending stocks for 2009/10 are projected 135 million bushels lower. At 1,603 million bushels, this year's ending stocks would be down 70 million from 2008/09. The projected 2009/10 farm price for corn is lowered 5 cents on both ends of the range to $3.45 to $3.65 per bushel based on prices reported to date.

The United States oilseed supply and use projections for 2010/11 include a small reduction in beginning and ending stocks. Lower beginning stocks reflect higher crush projections for 2009/10. Soybean crush for 2009/10 is raised 5 million bushels to 1.74 billion reflecting an increase in projected soybean meal exports. Soybean meal exports are projected at record 11.5 million short tons, almost 2 million above the previous record set in 1997/98.

Nationally, lower domestic soybean meal consumption partly offsets the increase in exports. Soybean ending stocks for 2009/10 are projected at 185 million bushels, down 5 million from last month. Ending stocks for 2010/11 are also reduced 5 million bushels to 360 million. Soybean, meal, and oil price projections are unchanged this month. The U.S. season-average soybean price for 2010/11 is projected at $8.00 to $9.50 per bushel. Soybean meal and oil prices for 2010/11 are projected at $230 to $270 per short ton and 34 to 38 cents per pound, respectively.

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U.S. CORN AND SOYBEAN SUPPLY AND USE 1/

Harvest Year	Corn		Soybeans	
	2009/2010	2010/2011	2009/2010	2010/2011
	Million Bushels			
Beginning Stocks	1,673	1,603	138	185
Production	13,110	13,370	3,359	3,310
Supply, total	14,793	14,983	3,512	3,505
Domestic Use	11,240	11,410	1,873	1,794
Exports	1,950	2,000	1,455	1,350
Total Use	13,190	13,410	3,328	3,144
Ending Stocks, total	1,603	1,573	185	360
US Average Farm Price ($/Bu)	3.45 - 3.65	3.30 - 3.90	9.50	8.00 - 9.50

1/ Source: World Agricultural Supply & Demand Estimates / June 2010, Office of the Chief Economist, USDA.

INDIANA WINTER WHEAT PRODUCTION UNCHANGED FROM MAY FORECAST

Based on conditions as of June 1, Indiana's 2010 winter wheat crop is expected to total 19.0 million bushels, 37 percent below last year's estimate of 30.2 million bushels. There was a 38 percent drop in harvested acres from 450,000 in 2009 to 280,000 in 2010. The expected yield of 68 bushels per acre is unchanged from the May 1 forecast and up 1 bushel over last year. The winter wheat crop is in mostly good condition with very few disease problems being reported. As of June 1, 2010, wheat condition was rated 72 percent good to excellent.

Nationally, winter wheat production is forecast at 1.48 billion bushels, up 2 percent from the May 1 forecast but 3 percent below 2009. Based on June 1 conditions, the United States yield is forecast at 46.6 bushels per acre, up 0.7 bushel from last month and 2.4 bushels more than last year. Expected area for harvest as grain or seed totals 31.8 million acres, unchanged from May 1. Based on June 1 conditions, the U.S. yield is forecast at 46.6 bushels per acre, up 0.7 bushel from last month and 2.4 bushels more than last year.

WINTER WHEAT JUNE 1, 2010, INDIANA AND UNITED STATES

Item	For Harvest		Yield		Production	
	2009	2010	2009	2010	2009	2010
	Thousands		Bushels		Thousands	
Indiana:						
Winter Wheat	450	280	67.0	68.0	30,150	19,040
United States:						
Winter Wheat	34,485	31,786	44.2	46.6	1,522,718	1,482,364

INDIANA MILK PRODUCTION UP 2 PERCENT

Indiana's milk production totaled 307 million pounds during May 2010, up two percent from a year earlier. The number of milk cows on farms totaled 169,000 head, up 1 percent from a year earlier.

Milk production in the 23 major States during May totaled 15.7 billion pounds, up 1.3 percent from May 2009. April revised production at 15.2 billion pounds, was up 1.8 percent from April 2009. The April revision represented an increase of 14 million pounds or 0.1 percent from last month's preliminary production estimate.

Production per cow in the 23 major States averaged 1,889 pounds for May, 55 pounds above May 2009. The number of milk cows on farms in the 23 major States was 8.33 million head, 143,000 head less than May 2009, but 4,000 head more than April 2010.

MILK COWS AND MILK PRODUCTION
INDIANA, AND SELECTED STATES, MAY 2009-2010

State	Milk Cows 1/		Milk Per Cow 2/		Milk Production 2/		
	2009	2010	2009	2010	2009	2010	2010 as % of 2009
	Thousand Head		Pounds		Million Pounds		Percent
INDIANA	168	169	1,785	1,815	300	307	102
Illinois	102	101	1,670	1,720	170	174	102
Iowa	215	212	1,785	1,820	384	386	101
Michigan	357	358	1,955	2,035	698	729	104
Minnesota	469	470	1,680	1,740	788	818	104
Ohio	278	268	1,670	1,730	464	464	100
Wisconsin	1,256	1,261	1,745	1,840	2,192	2,320	106
23 State Total	8,475	8,332	1,834	1,889	15,541	15,741	101

1/ Includes dry cows, excludes heifers not yet fresh.
2/ Excludes milk sucked by calves.

2009 ANNUAL DAIRY PRODUCTS

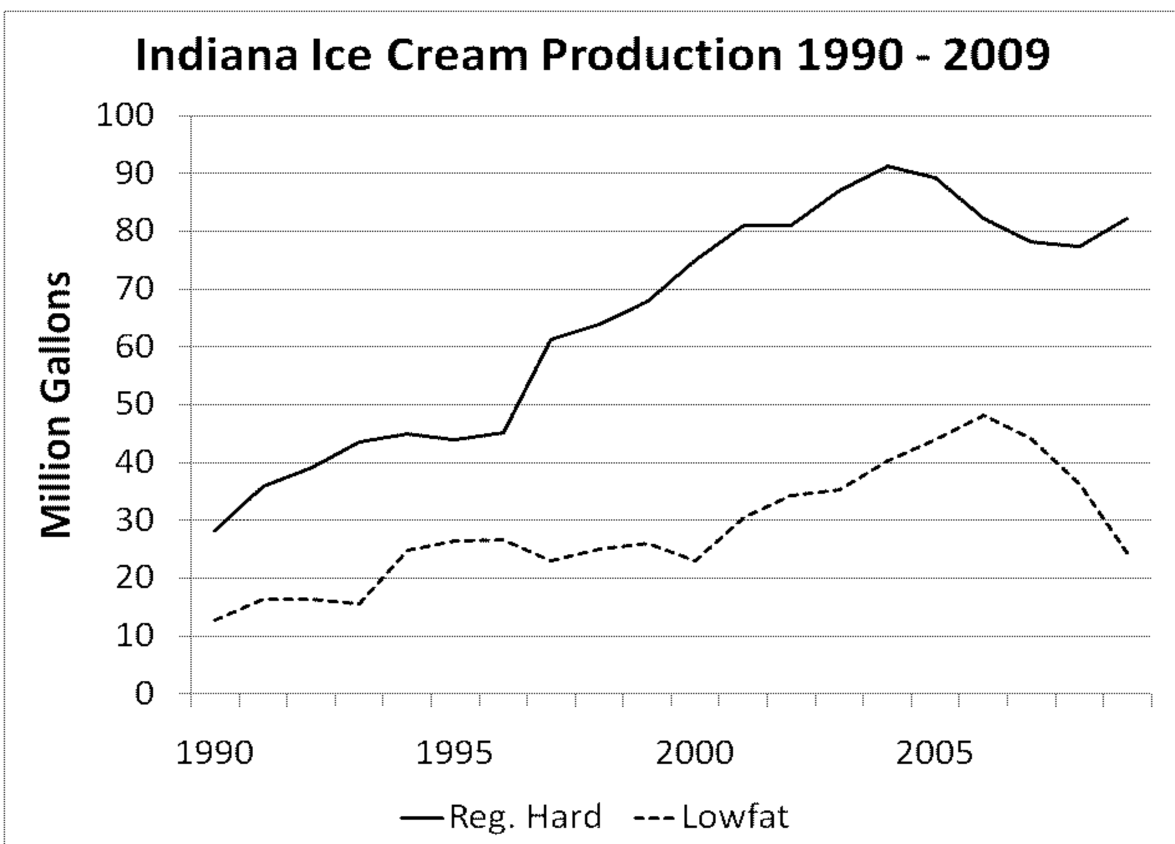
Total 2009 U.S. cheese production, excluding cottage cheese, was 10.1 billion pounds, 2.0 percent above 2008 production. American type cheese production, at 4.20 billion pounds, 2.3 percent above 2008 and accounted for 41.6 percent of the total cheese in 2009. U.S. butter production totaled 1.57 billion pounds, 4.3 percent below 2008.

Nationally, regular ice cream production totaled 920 million gallons, down 1.1 percent from 2008. Lowfat ice cream, at 381 million gallons, was down 0.6 percent. Sherbet production totaled 53.1 million gallons, down 8.0 percent from 2008. Frozen yogurt, at 74.4 million gallons, was down 5.3 percent.

MANUFACTURED DAIRY PRODUCTS - ANNUAL TOTALS
INDIANA AND UNITED STATES, 2008-2009

Item	Indiana			United States		
	2008	2009	2009 as a % of 2008	2008	2009	2009 as a % of 2008
			Thousand Pounds			
Butter	1/	1/	1/	1,644,076	1,573,481	96
American Cheese	1/	1/	1/	4,108,565	4,202,499	102
Total Cheese	1/	1/	1/	9,912,828	10,109,293	102
Creamed Cottage Cheese	1/	1/	1/	324,980	341,900	105
Lowfat Cottage Cheese	1/	1/	1/	389,195	387,657	100
Cottage Cheese Curd	1/	1/	1/	428,092	434,844	102
Sour Cream	1/	1/	1/	1,150,735	1,148,009	100
			Thousand Gallons			
Ice Cream, Hard	77,339	82,198	106	876,379	856,703	98
Lowfat Ice Cream, Total	36,335	24,379	67	383,828	381,455	99
Milk Sherbet, Hard	3,775	3,078	82	54,852	50,280	92
Water Ices	1/	1/	1/	59,180	59,744	101

1/ Not published to avoid disclosure.



DAIRY PRODUCTS PRICES HIGHLIGHTS

Cheddar Cheese prices received for U.S. 40 pound Blocks averaged $1.46 per pound for the week ending June 12. The price per pound decreased 1.0 cent from the previous week. The price for U.S. 500 pound Barrels adjusted to 38 percent moisture averaged $1.43 per pound, down 5.2 cents from the previous week.

Butter prices received for 25 kilogram and 68 pound boxes meeting USDA Grade AA standards averaged $1.58 per pound for the week ending June 12. The U.S. price per pound increased 3.4 cents from the previous week.

Nonfat Dry Milk prices received for bag, tote and tanker sales meeting USDA Extra Grade or USPH Grade A standards averaged $1.30 per pound for the week ending June 12. The U.S. price per pound increased 0.1 cents from the previous week.

Dry Whey prices received for bag, tote and tanker sales meeting USDA Extra Grade standards averaged 36.8 cents per pound for the week ending June 12. The U.S. price per pound decreased 0.3 cents from the previous week.

TURKEY HATCHERY

Turkey eggs in incubators on June 1, 2010, in the United States totaled 28.2 million, down 3 percent from June 1, 2009. Eggs in incubators were down 2 percent from the May 1, 2010 total of 28.7 million eggs.

Regional changes from the previous year were: East North Central up 8 percent, West North Central up slightly, North and South Atlantic down 4 percent, and South Central and West down 26 percent.

ALL TURKEYS

Geographic Division 1/	Eggs in Incubators June 1		Percent of Previous Year	Eggs Hatched During May		Percent of Previous Year
	2009	2010		2009	2010	
	Thousands		Percent	Thousands		Percent
E N Central	4,167	4,488	108	3,455	3,709	107
W N Central	11,909	11,963	100	9,180	10,505	114
N & S Atlantic	9,404	9,000	96	7,809	7,611	97
S Central & West	3,680	2,726	74	2,836	2,373	84
U.S.	29,160	28,177	97	23,280	24,198	104

1/ E N Central: IL, IN, MI, OH, and WI; W N Central: IA, KS, MN, MO, NE, ND, and SD; N & S Atlantic: CT, ME, MA, NH, NJ, NY, PA, RI, VT, DE, FL, GA, MD, NC, SC, VA, and WV; S Central and West: AL, AR, AZ, CA, CO, ID, KY, LA, MS, MT, NM, NV, OK, OR, TN, TX, UT, WA, and WY.

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